

## 0985 California School Finance Authority

The California School Finance Authority (CSFA), created in 1985, provides facilities and working capital financing to school districts, community college districts, county offices of education, and charter schools. The State Treasurer serves as chair of CSFA, and the Superintendent of Public Instruction and the Director of Finance serve as members. CSFA has offices in Los Angeles and Sacramento.

CSFA serves as the primary state agency for California charter schools seeking facility and working capital assistance by providing access to low-cost financing through several State and federally funded programs.

### 3-YR EXPENDITURES AND POSITIONS

		Positions			Expenditures		
		2014-15	2015-16	2016-17	2014-15*	2015-16*	2016-17*
0918	Smart Bonds	-	1.0	1.0	\$189	\$233	\$223
0920	Charter School Facilities Program	3.6	2.5	2.5	650	1,203	1,203
0925	State Charter School Facilities Incentive Grants Program	1.0	1.0	1.0	19,060	20,187	20,172
0930	Charter School Facility Grant Program	3.0	3.0	3.0	92,226	112,318	112,318
0935	Charter School Revolving Loan Program	1.0	1.0	1.0	12,881	12,496	12,496
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>		<b>8.6</b>	<b>8.5</b>	<b>8.5</b>	<b>\$125,006</b>	<b>\$146,437</b>	<b>\$146,412</b>

<b>FUNDING</b>		2014-15*	2015-16*	2016-17*
0001	General Fund	\$276	\$397	\$397
0001	General Fund, Proposition 98	92,031	112,031	112,031
0526	California School Finance Authority Fund	189	233	223
0606	Charter School Revolving Loan Fund	10,800	12,386	12,386
0890	Federal Trust Fund	19,060	20,187	20,172
6044	2004 State School Facilities Fund	482	657	657
6057	2006 State School Facilities Fund	167	546	546
8000	Charter School Security Fund	2,000	-	-
9734	2004 Charter School Facilities Account, 2004 State School Facilities Fund	1	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>		<b>\$125,006</b>	<b>\$146,437</b>	<b>\$146,412</b>

### LEGAL CITATIONS AND AUTHORITY

#### PROGRAM AUTHORITY

Education Code Sections 17078.52-17078.66, 17170-17199.5, 41365, 41366.5, 41366.7, 41367, and 47614.5

### DETAILED BUDGET ADJUSTMENTS

	2015-16*			2016-17*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Workload Budget Adjustments</b>						
<b>Other Workload Budget Adjustments</b>						
• Expenditure by Category Redistribution	\$-	\$153	-	\$-	\$153	-
• Establish New Position for Bond Program	-	132	1.0	-	122	1.0
• Salary Adjustments	7	10	-	7	10	-
• Benefit Adjustments	3	5	-	3	5	-
• Retirement Rate Adjustments	2	4	-	2	4	-
• Miscellaneous Baseline Adjustments	-	-	-	-	-	-
• SWCAP	-	-	-	-	-13	-
• Budget Position Transparency	-	-153	-2.5	-	-153	-2.5
<b>Totals, Other Workload Budget Adjustments</b>	<b>\$12</b>	<b>\$151</b>	<b>-1.5</b>	<b>\$12</b>	<b>\$128</b>	<b>-1.5</b>
<b>Totals, Workload Budget Adjustments</b>	<b>\$12</b>	<b>\$151</b>	<b>-1.5</b>	<b>\$12</b>	<b>\$128</b>	<b>-1.5</b>

\* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

**0985 California School Finance Authority - Continued**

	2015-16*			2016-17*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Totals, Budget Adjustments	\$12	\$151	-1.5	\$12	\$128	-1.5

**PROGRAM DESCRIPTIONS****0918 - SMART BONDS PROGRAM**

Chapter 1438, Statutes of 1985, as amended by Chapter 598, Statutes of 1987, established CSFA and authorized the issuance revenue bonds or other debt instruments. The proceeds from the sale of the bonds were available for loans to school and community college districts to assist with the acquisition of equipment and new school sites, construction of new facilities, reconstruction of existing facilities, capital improvements, and to provide working capital. Chapter 325, Statutes of 2006 (AB 2717), allows CSFA to issue debt on behalf of California charter schools for capital improvements and working capital needs.

**0920 - CHARTER SCHOOL FACILITIES PROGRAM**

Chapter 935, Statutes of 2002, as amended by Chapter 587, Statutes of 2003, created the Charter School Facilities Program (CSFP), which provides funding for the new construction, renovation or rehabilitation of charter school facilities. CSFA and the Office of Public School Construction jointly administer the program. CSFP was funded through the Kindergarten-University Public Education Facilities Bond Acts of 2002, 2004, and 2006, for a total of \$900 million.

The program provides a 50% state subsidy for the charter school facilities project costs, with the balance of the project costs being repaid (to the state) by the charter school in the form of a long-term lease. Recipient charter schools must provide site-based instruction, be deemed financially sound by CSFA, and meet other program eligibility requirements.

**0925 - STATE CHARTER SCHOOL FACILITIES INCENTIVE GRANTS PROGRAM**

In 2004, and 2014, CSFA was awarded a grant under the United States Department of Education's State Charter School Facilities Incentive Grants Program (CFDA 84.282D) to provide California charter schools with assistance for facilities costs. Grant funds are used toward a charter school's cost of rent, lease, mortgage or debt service payments for existing or new facilities or toward the costs of acquiring land and constructing or renovating a facility. Grants are awarded to charter schools based on preference points allotted for the percentage of low-income students; percentage overcrowded; not-for-profit status; and demonstrated student performance.

Preference is also granted to charter schools providing better educational opportunities than surrounding traditional public schools.

**0930 - CHARTER SCHOOL FACILITY GRANT PROGRAM**

The Charter School Facility Grant Program provides Proposition 98 General Fund grants to assist charter schools with rent and lease costs. This program targets schools and communities with significant populations of economically disadvantaged students. Eligible charter schools are provided up to \$750 per unit of eligible average daily attendance, not to exceed 75 percent of the total annual facilities rent or lease costs.

**0935 - CHARTER SCHOOL REVOLVING LOAN PROGRAM**

New non-conversion charter schools may receive low-interest loans from the Charter School Revolving Loan Program to use for start-up costs. The program provides loans of up to \$250,000 to be paid back over a time period not to exceed five years. The interest collected is deposited into the Charter School Security Fund and may be used to replenish the Charter School Revolving Loan Fund and offset any loan defaults.

**DETAILED EXPENDITURES BY PROGRAM**

		2014-15*	2015-16*	2016-17*
<b>PROGRAM REQUIREMENTS</b>				
<b>0918</b>	<b>SMART BONDS</b>			
	State Operations:			
0526	California School Finance Authority Fund	\$189	\$233	\$223
	Totals, State Operations	\$189	\$233	\$223
<b>PROGRAM REQUIREMENTS</b>				
<b>0920</b>	<b>CHARTER SCHOOL FACILITIES PROGRAM</b>			
	State Operations:			
6044	2004 State School Facilities Fund	\$482	\$657	\$657

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**0985 California School Finance Authority - Continued**

		<u>2014-15*</u>	<u>2015-16*</u>	<u>2016-17*</u>
6057	2006 State School Facilities Fund	167	546	546
9734	2004 Charter School Facilities Account, 2004 State School Facilities Fund	1	-	-
	<b>Totals, State Operations</b>	<b>\$650</b>	<b>\$1,203</b>	<b>\$1,203</b>
	<b>PROGRAM REQUIREMENTS</b>			
<b>0925</b>	<b>STATE CHARTER SCHOOL FACILITIES INCENTIVE GRANTS PROGRAM</b>			
	<b>State Operations:</b>			
0890	Federal Trust Fund	\$118	\$187	\$172
	<b>Totals, State Operations</b>	<b>\$118</b>	<b>\$187</b>	<b>\$172</b>
	<b>Local Assistance:</b>			
0890	Federal Trust Fund	\$18,942	\$20,000	\$20,000
	<b>Totals, Local Assistance</b>	<b>\$18,942</b>	<b>\$20,000</b>	<b>\$20,000</b>
	<b>PROGRAM REQUIREMENTS</b>			
<b>0930</b>	<b>CHARTER SCHOOL FACILITY GRANT PROGRAM</b>			
	<b>State Operations:</b>			
0001	General Fund	\$195	\$287	\$287
	<b>Totals, State Operations</b>	<b>\$195</b>	<b>\$287</b>	<b>\$287</b>
	<b>Local Assistance:</b>			
0001	General Fund	\$92,031	\$112,031	\$112,031
	<b>Totals, Local Assistance</b>	<b>\$92,031</b>	<b>\$112,031</b>	<b>\$112,031</b>
	<b>PROGRAM REQUIREMENTS</b>			
<b>0935</b>	<b>CHARTER SCHOOL REVOLVING LOAN PROGRAM</b>			
	<b>State Operations:</b>			
0001	General Fund	\$81	\$110	\$110
8000	Charter School Security Fund	2,000	-	-
	<b>Totals, State Operations</b>	<b>\$2,081</b>	<b>\$110</b>	<b>\$110</b>
	<b>Local Assistance:</b>			
0606	Charter School Revolving Loan Fund	\$10,800	\$12,386	\$12,386
	<b>Totals, Local Assistance</b>	<b>\$10,800</b>	<b>\$12,386</b>	<b>\$12,386</b>
	<b>TOTALS, EXPENDITURES</b>			
	State Operations	3,233	2,020	1,995
	Local Assistance	121,773	144,417	144,417
	<b>Totals, Expenditures</b>	<b>\$125,006</b>	<b>\$146,437</b>	<b>\$146,412</b>

**EXPENDITURES BY CATEGORY**

1 State Operations	<u>Positions</u>			<u>Expenditures</u>		
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2014-15*</u>	<u>2015-16*</u>	<u>2016-17*</u>
PERSONAL SERVICES						
Baseline Positions	10.0	10.0	10.0	\$627	\$634	\$634
Budget Position Transparency	-	-2.5	-2.5	-	-153	-153
Total Adjustments	-1.4	1.0	1.0	-86	71	71
<b>Net Totals, Salaries and Wages</b>	<b>8.6</b>	<b>8.5</b>	<b>8.5</b>	<b>\$541</b>	<b>\$552</b>	<b>\$552</b>
Staff Benefits	-	-	-	254	317	315
<b>Totals, Personal Services</b>	<b>8.6</b>	<b>8.5</b>	<b>8.5</b>	<b>\$795</b>	<b>\$869</b>	<b>\$867</b>
OPERATING EXPENSES AND EQUIPMENT				\$2,436	\$1,151	\$1,128
SPECIAL ITEMS OF EXPENSES				2	-	-

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**0985 California School Finance Authority - Continued**

1 State Operations	Positions			Expenditures		
	2014-15	2015-16	2016-17	2014-15*	2015-16*	2016-17*
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$3,233</b>	<b>\$2,020</b>	<b>\$1,995</b>

  

2 Local Assistance	Expenditures		
	2014-15*	2015-16*	2016-17*
Grants and Subventions - Governmental	\$110,973	\$132,031	\$132,031
Other Special Items of Expense	10,800	12,386	12,386
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$121,773</b>	<b>\$144,417</b>	<b>\$144,417</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS**

1 STATE OPERATIONS	2014-15*	2015-16*	2016-17*
<b>0001 General Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$372	\$385	\$397
Allocation for Employee Compensation	4	7	-
Allocation for Staff Benefits	1	3	-
Past Year Adjustments	1	-	-
Section 3.60 Pension Contribution Adjustment	7	2	-
<b>Totals Available</b>	<b>\$385</b>	<b>\$397</b>	<b>\$397</b>
Unexpended balance, estimated savings	-109	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$276</b>	<b>\$397</b>	<b>\$397</b>
<b>0526 California School Finance Authority Fund</b>			
APPROPRIATIONS			
Education Code section 17181	\$101	\$101	\$223
Establish New Position for Bond Program	-	132	-
Past Year Adjustments	88	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$189</b>	<b>\$233</b>	<b>\$223</b>
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$146	\$183	\$172
Allocation for Employee Compensation	-	2	-
Allocation for Staff Benefits	-	1	-
Past Year Adjustments	3	-	-
Section 3.60 Pension Contribution Adjustment	-	1	-
<b>Totals Available</b>	<b>\$149</b>	<b>\$187</b>	<b>\$172</b>
Unexpended balance, estimated savings	-31	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$118</b>	<b>\$187</b>	<b>\$172</b>
<b>6044 2004 State School Facilities Fund</b>			
APPROPRIATIONS			
Education Code Section 17078.52(b)(2) (Transfer to 2004 Charter School Facilities Account, 2004 State School Facilities Fund)	-	\$642	\$657
Current Year Adjustments	-	15	-
Education Code Section 17078.52(b)(2) (Transfer to 2004 Charter School Facilities Account, 2004 State School Facilities Fund)	640	-	-
Past Year Adjustments	-1	-	-
<b>Totals Available</b>	<b>\$639</b>	<b>\$657</b>	<b>\$657</b>

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**0985 California School Finance Authority - Continued**

<b>1 STATE OPERATIONS</b>	<b>2014-15*</b>	<b>2015-16*</b>	<b>2016-17*</b>
Unexpended balance, estimated savings	<u>-157</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$482</b>	<b>\$657</b>	<b>\$657</b>
<b>6057 2006 State School Facilities Fund</b>			
APPROPRIATIONS			
Education Code Section 17078.52(b)(3) (Transfer to 2006 Charter School Facilities Account, 2006 State School Facilities Fund)	-	\$546	\$546
Education Code Section 17078.52(b)(3) (Transfer to 2006 Charter School Facilities Account, 2006 State School Facilities Fund)	429	-	-
<b>Totals Available</b>	<b>\$429</b>	<b>\$546</b>	<b>\$546</b>
Unexpended balance, estimated savings	<u>-262</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$167</b>	<b>\$546</b>	<b>\$546</b>
<b>8000 Charter School Security Fund</b>			
Unexpended balance, estimated savings	<u>2,000</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$2,000</b>	<b>\$-</b>	<b>\$-</b>
<b>9734 2004 Charter School Facilities Account, 2004 State School Facilities Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$624	\$642	\$657
Allocation for Employee Compensation	-	8	-
Allocation for Staff Benefits	-	4	-
Budget Position Transparency	-	-153	-
Expenditure by Category Redistribution	-2	153	-
Past Year Adjustments	18	-	-
Section 3.60 Pension Contribution Adjustment	<u>-</u>	<u>3</u>	<u>-</u>
<b>Totals Available</b>	<b>\$640</b>	<b>\$657</b>	<b>\$657</b>
Unexpended balance, estimated savings	<u>-157</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$483</b>	<b>\$657</b>	<b>\$657</b>
Less funding provided by 2004 State School Facilities Fund	<u>-482</u>	<u>-657</u>	<u>-657</u>
<b>NET TOTALS, EXPENDITURES</b>	<b>\$1</b>	<b>\$-</b>	<b>\$-</b>
<b>9735 2006 Charter School Facilities Account, 2006 State School Facilities Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	<u>\$429</u>	<u>\$546</u>	<u>\$546</u>
<b>Totals Available</b>	<b>\$429</b>	<b>\$546</b>	<b>\$546</b>
Unexpended balance, estimated savings	<u>-262</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$167</b>	<b>\$546</b>	<b>\$546</b>
Less funding provided by 2006 State School Facilities Fund	<u>-167</u>	<u>-546</u>	<u>-546</u>
<b>NET TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>
<b>Total Expenditures, All Funds, (State Operations)</b>	<b>\$3,233</b>	<b>\$2,020</b>	<b>\$1,995</b>
<b>2 LOCAL ASSISTANCE</b>	<b>2014-15*</b>	<b>2015-16*</b>	<b>2016-17*</b>
<b>0001 General Fund, Proposition 98</b>			
APPROPRIATIONS			
220 Budget Act appropriation	<u>\$92,031</u>	<u>\$112,031</u>	<u>\$112,031</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$92,031</b>	<b>\$112,031</b>	<b>\$112,031</b>
<b>0606 Charter School Revolving Loan Fund</b>			
APPROPRIATIONS			
Education Code section 41365	<u>\$12,386</u>	<u>\$12,386</u>	<u>\$12,386</u>
<b>Totals Available</b>	<b>\$12,386</b>	<b>\$12,386</b>	<b>\$12,386</b>
Unexpended balance, estimated savings	<u>-1,586</u>	<u>-</u>	<u>-</u>

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**0985 California School Finance Authority - Continued**

<b>2 LOCAL ASSISTANCE</b>	<b>2014-15*</b>	<b>2015-16*</b>	<b>2016-17*</b>
<b>TOTALS, EXPENDITURES</b>	<b>\$10,800</b>	<b>\$12,386</b>	<b>\$12,386</b>
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation	\$20,000	\$20,000	\$20,000
<b>Totals Available</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>
Unexpended balance, estimated savings	-1,058	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$18,942</b>	<b>\$20,000</b>	<b>\$20,000</b>
<b>Total Expenditures, All Funds, (Local Assistance)</b>	<b>\$121,773</b>	<b>\$144,417</b>	<b>\$144,417</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>	<b>\$125,006</b>	<b>\$146,437</b>	<b>\$146,412</b>

**CHANGES IN AUTHORIZED POSITIONS**

	<b>Positions</b>			<b>Expenditures</b>		
	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2014-15*</b>	<b>2015-16*</b>	<b>2016-17*</b>
<b>Baseline Positions</b>	10.0	10.0	10.0	\$627	\$634	\$634
Budget Position Transparency	-	-2.5	-2.5	-	-153	-153
<b>Salary and Other Adjustments</b>	-1.4	1.0	1.0	-86	71	71
<b>Totals, Adjustments</b>	<b>-1.4</b>	<b>-1.5</b>	<b>-1.5</b>	<b>-\$86</b>	<b>-\$82</b>	<b>-\$82</b>
<b>TOTALS, SALARIES AND WAGES</b>	<b>8.6</b>	<b>8.5</b>	<b>8.5</b>	<b>\$541</b>	<b>\$552</b>	<b>\$552</b>

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